



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
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**FISCAL YEAR 2013
CHILD AND ADULT CARE FOOD PROGRAM
FAMILY DAY CARE HOME SPONSOR MEMORANDUM #13**

TO: Family Day Care Home Sponsors

FROM: *for* Kyle L. Guerrant, Director
Office of School Support Services 

DATE: April 5, 2013

SUBJECT: Tax Exempt Status for Churches and Religious Organizations

This memorandum provides updated guidance and clarification regarding the eligibility of private nonprofit organizations and churches seeking participation as sponsors in the Child and Adult Care Food Program (CACFP). Please note that all nonprofit organizations, including churches, must fulfill all application requirements and demonstrate financial and administrative capability for CACFP operations in order to participate in the program. This memo addresses only the requirement relating to tax exempt status.

CACFP authorities in Section 17 of the Richard B. Russell National School Lunch (NSLA) (42 USC 1766) and program regulations at 7 CFR 226.2 and 226.15(a) require that private nonprofit organizations must have federal tax exempt status under the Internal Revenue Code of 1986 (IRC) in order to be eligible to participate in CACFP.

For purposes of CACFP participation by private nonprofit organizations, only Federal tax exempt status pursuant to the IRC is relevant. Generally, the IRC requires private nonprofit organizations to apply for and receive documentation of tax exempt status. However, Internal Revenue Service (IRS) guidance provides that under certain circumstances, a church is considered automatically tax exempt under the IRC and is not required to apply for the IRS document verifying that it has tax exempt status (Form 1023). Therefore, for purposes of participation in CACFP, churches are not required to provide the Michigan Department of Education (MDE) with IRS Form 1023 as documentation of tax-exempt status.

If you have any questions related to this memorandum, please contact CACFP at 517-373-7391.

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